

Gross wage per employee, growth index	Wages in SIT October 2003	In nominal terms		In real terms ¹	
		Oct 2003/ Sept 2003	Jan-Oct 2003/ Jan-Oct 2002	Oct 2003/ Sept 2003	Jan-Oct 2003/ Jan-Oct 2002
Gross wage per employee, total	257,171	101.3	107.8	101.0	102.0
Private sector (activities A to K)	236,772	101.8	108.0	101.5	102.2
A Agriculture	211,087	101.5	105.7	101.2	100.0
B Fisheries	203,864	100.6	108.1	100.3	102.3
C Mining and quarrying	306,111	100.6	110.0	100.3	104.1
D Manufacturing	217,074	102.3	107.7	102.0	101.9
E Electricity, gas and water supply	316,947	102.3	109.7	102.0	103.7
F Construction	211,738	101.7	108.7	101.3	102.8
G Wholesale, retail; certain repairs	227,279	103.0	107.2	102.7	101.4
H Hotels and restaurants	191,628	100.7	106.4	100.4	100.6
I Transp., storage and communicat,	273,179	100.9	108.6	100.6	102.8
J Financial intermediation	356,502	98.5	109.8	98.2	103.9
K Real estate, renting	276,520	101.5	108.0	101.2	102.1
Public services (activities L to O)	314,497	100.4	106.6	100.1	100.8
L Public administration	321,448	99.8	107.7	99.5	101.9
M Education	315,773	100.4	107.6	100.1	101.8
N Health services and social work	307,592	100.6	104.6	100.3	99.0
O Other social and personal services	307,888	101.2	104.9	100.9	99.3

Source of data: SORS, private sector and public services wages calculated by the IMAD.
 Note: ¹deflated by the consumer price index.

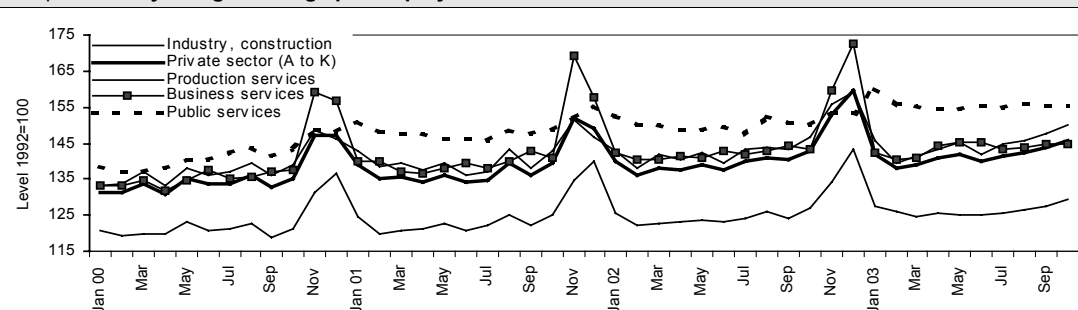
October's gross wage per employee rose by 1.3% in nominal and 1.0% in real terms compared to September.

In the **private sector (activities from A to K)**, the gross wage per employee rose above the average rate of increase, going up by 1.8% in nominal terms. Given that October did not have any more working days than September, this growth was likely underpinned by the '13th month's' pay and Christmas bonuses, which began to be paid in November when workers receive their pay for October. Growth was also partly fuelled by the increased overtime work. The gross wage per employee rose the most in **industry and construction (activities from C to F)**, going up by 2.2% in nominal terms. This group recorded an 11% increase in the share of paid overtime work. Wage growth was slightly weaker in **production services (activities G, H, I)**, with the gross wage per employee rising by 2.1% in nominal terms. Growth was particularly strong in wholesale and retail trade, where the share of overtime work increased by 29% over September. This share is expected to have increased further in the next two months owing to Christmas shopping. The gross wage per employee almost stagnated in **business services (activities J and K)** as wages only edged up 0.3% in nominal terms. This group usually records a surge in November's wages.

In **public services (activities L to O)**, wages continued to stagnate, while the last few months of the year usually see slight wage growth due to promotions and recruitment. October's gross wage per employee rose by 0.4% in nominal terms. Wages rose more strongly in other community, social and personal services chiefly due to the '13th month's' pay and Christmas bonuses, given that most of this activity belongs to the private sector, as well as due to paid overtime work, whose share surged by about 40%.

In the first **ten months of 2003**, the gross wage per employee rose by 7.8% in nominal terms over the same period of the previous year. With consumer prices rising by 5.7%, wages rose by 2.0% in real terms. In the **private sector**, the gross wage per employee climbed by 8.0% in nominal and 2.2% in real terms. Following moderate wage growth seen in the last two years, **public services** recorded a 6.6% nominal and 0.8% real rise in the gross wage per employee. As a result of these restrained wage movements, the aim of keeping growth in the gross wage per employee behind the estimated labour productivity growth is being realised.

Graph: **Monthly real gross wage per employee**



Source of data: SORS, calculations by IMAD. Note: deflated by consumer price index.